

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF CLARK RURAL)
ELECTRIC COOPERATIVE CORPORATION FOR)
AN ORDER AUTHORIZING A PASS-THROUGH) CASE NO. 8415-C
OF EAST KENTUCKY POWER WHOLESALE)
POWER RATE INCREASE IN CASE NO. 8400)

O R D E R

Clark Rural Electric Cooperative Corporation ("Applicant") filed its application to flow through any increase in rates granted its wholesale power supplier, East Kentucky Power Cooperative, Inc., ("East Kentucky") in Case No. 8400. Applicant is one of 18 member distribution cooperatives of East Kentucky. In Case No. 8400, East Kentucky requested an increase in revenue of approximately \$24,110,886. Of this total increase, Applicant would experience an increase in power costs of approximately \$1,009,295, which represents 4.56 percent of the proposed East Kentucky increase and would result in an overall increase to Applicant's consumers of 18.2 percent.

On December 18, 1981, the 18 distribution cooperatives of East Kentucky filed a motion requesting that they be permitted to deviate from the Commission's filing requirements and to flow through the increase by use of a purchased power adjustment clause promulgated by the Commission. In its order of February 3, 1982, the Commission authorized Applicant to deviate from the

filing requirements and to file certain information deemed essential to the Commission's consideration of the request to flow through any wholesale power increase received from East Kentucky.

Hearings were held on April 27 and 28, 1982, at the Commission's offices in Frankfort, Kentucky. The Consumer Protection Division of the Attorney General's Office, Charles F. Cook of Clark County, Kentucky, and Sarah A. Bowers, Mt. Hermon, Kentucky, were the intervenors of record.

It is the opinion of the Commission that the most equitable method to use in processing the increased power cost for rate-making purposes in this case is the energy adder per metered KWH sales. All of the Applicants except Clark Rural Electric Cooperative and Grayson Rural Electric Cooperative used this method. These two applications have been adjusted to this method.

The Commission, having considered the evidence of record and being advised, is of the opinion and finds that:

(1) The actual increase allowed East Kentucky in Case No. 8400 is \$14,951,106 which will result in an increase in power costs to Applicant of \$682,792.

(2) Applicant's financial condition would be materially impaired if it were not allowed to recover the increased wholesale power costs allowed in Case No. 8400.

(3) The revised rates and charges in Appendix A are designed to reflect only the increased power costs from East Kentucky allowed in the final order in Case No. 8400.

(4) The flow-through of the wholesale power costs will not result in any additional net margin to Applicant.

(5) The most equitable method to use in processing the increased power costs for rate-making purposes is the energy adder charge, which should be used to determine the final rates in this case.


IT IS THEREFORE ORDERED that Clark Rural Electric Cooperative Corporation is hereby authorized to flow through the increased power costs resulting from the rate increase granted its wholesale power supplier, East Kentucky Power Cooperative, Inc., in Case No. 8400.

IT IS FURTHER ORDERED that the rates in Appendix A shall be placed into effect on the effective date of the East Kentucky wholesale power increase.

IT IS FURTHER ORDERED that Clark Rural Electric Cooperative Corporation shall, within 20 days from the date of this order, file its revised tariff sheets setting out the rates and charges approved herein.

Done at Frankfort, Kentucky, this 3rd day of June, 1982.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 8415-C DATED JUNE 3, 1982

The following rates and charges are prescribed for the customers in the area served by Clark County Rural Electric Cooperative Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the date of this Order.

SCHEDULE R FARM AND HOME SERVICE*

Rates:

First	25 KWH (Minimum Bill)	\$ 4.52	
Next	25 KWH per KWH	.09483	Per KWH
Next	50 KWH per KWH	.08363	Per KWH
Next	100 KWH per KWH	.05833	Per KWH
Next	1,300 KWH per KWH	.05403	Per KWH
Over	1,500 KWH per KWH	.04953	Per KWH

Minimum Charge:

The minimum monthly charge shall be \$ 4.52 .

SCHEDULE B-1 COMMERCIAL AND INDUSTRIAL LIGHTING AND POWER SERVICE

Applicability:

Applicable to all commercial, industrial, and three-phase farm consumers for all uses subject to the established rules and regulations of the Seller.

Character of Service:

Single-phase and three-phase, 60 cycles, at available secondary voltage.

Rates:

Demand Charge

First 10 KW of Billing Demand	No Charge
Over 10 KW of Billing Demand	\$ 2.98 Per KW

<u>Energy Charge</u>	<u>Less Than 10 KW Demand</u>	<u>More Than 10 KW Demand</u>
First 80 KWH (Min. Bill)	\$ 9.75	\$ 9.89
Next 20 KWH per KWH	.11983	.12143
Next 900 KWH per KWH	.06783	.06953
Next 1,000 KWH per KWH	.06093	.06263
Over 2,000 KWH per KWH	.05423	.05593

Minimum Charge:

The minimum monthly charge shall be \$ 9.75 single-phase service and \$ 29.67 for three-phase service.

SCHEDULE E
SERVICE TO SCHOOLS, CHURCHES, AND COMMUNITY HALLS*

Rates:

First	25 KWH (Minimum Bill)	\$ 4.55
Next	25 KWH per KWH	.11883
Next	50 KWH per KWH	.09583
Next	900 KWH per KWH	.06943
Next	1,000 KWH per KWH	.06173
Over	2,000 KWH per KWH	.04953

Minimum Charge:

The minimum monthly charge shall be \$ 4.55.

SCHEDULE SL3
STREET LIGHTING SERVICE*

Base Rate Per Lamp Per Year:

<u>Lamp Size</u>	<u>Bare Lamp With Reflector</u>	<u>Luminaire With Bracket Attachment to Wooden Pole</u>
100 Watt-Incandescent	\$ 35.18	\$
150 Watt-Incandescent	41.57	
200 Watt-Incandescent	48.62	56.96
300 Watt-Incandescent		68.61
175 Watt-Mercury Vapor		51.08
400 Watt-Mercury Vapor		103.93

SCHEDULE LP
LARGE POWER SERVICE*

Rates:

Demand Charge

First 50 KW or less of Billing Demand	\$ 148.70
Over 50 KW of Billing Demand	2.98/KW

Energy Charge

First	50 KWH of Billing Demand	.06193	Per KWH
Next	100 KWH of Billing Demand	.04943	Per KWH
All Remaining	KWH of Billing Demand	.04303	Per KWH

SCHEDULE LPR
LARGE POWER*

Applicability:

Applicable to all commercial and industrial consumers, for all uses, whose kilowatt demand exceeds 500 KW. An agreement for purchase of power shall be executed by the consumer for service.

Rates:

Demand Charge

First 500 KW or less of Billing Demand	\$ 1,481.46
Over 500 KW of Billing Demand	2.98 Per KW

Energy Charge

First	3,500 KWH	\$.05813	Per KWH
Next	6,500 KWH	.04803	Per KWH
Next	140,000 KWH	.04293	Per KWH
Next	200,000 KWH	.03983	Per KWH
Next	400,000 KWH	.03883	Per KWH
Next	550,000 KWH	.03753	Per KWH
Over	1,300,000 KWH	.03573	Per KWH

OUTDOOR LIGHTING - SECURITY LIGHTS*

Rate Per Light Per Month:

Mercury Vapor Lamp	175 Watt	\$4.86 Per Month
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*Fuel Adjustment Charge

The above rate may be increased by an amount per KWH equal to the fuel adjustment amount per KWH as billed by the Wholesale Power Supplier plus an allowance for line losses. The allowance for line losses will not exceed 10% and is based on a twelve month moving average of such losses.